

**ASX Code: AIV****Issued Capital**

177,228,401 ordinary shares (AIV)

**Market Capitalisation**

\$35.45M (12 March 2019, \$0.20)

**Directors**

Min Yang (Non-executive Chairman)

Mark Derriman (General Manager /  
Executive Director)

Geoff Baker (Non-executive Director)

Dongmei Ye (Non-executive Director)

Craig McPherson (Company Secretary)

**About ActivEX**

ActivEX Limited is a mineral exploration company committed to the acquisition, identification and delineation of new resource projects through active exploration.

The ActivEX portfolio is focussed on copper and gold projects, with substantial tenement packages in north and southeast Queensland and in the Cloncurry district of northwest Queensland.

The Company also has an advanced potash project in Western Australia where it is investigating optimal leaching methods for extraction and production of potash and by-products.

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Suite 2, 3B Macquarie Street  
Sydney NSW 2000

[admin@activex.com.au](mailto:admin@activex.com.au)

[www.activex.com.au](http://www.activex.com.au)

Phone +61 (02) 9251 9088

ABN 11 113 452 896

**ACTIVEX LIMITED**

ABN 11 113 452 896

**FINANCIAL REPORT  
FOR THE HALF YEAR ENDED  
31 DECEMBER 2018**

# ACTIVEX LIMITED

ABN 11 113 452 896

## DIRECTORS' REPORT

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Your Directors present the financial report of the Company for the half year ended 31 December 2018.

### DIRECTORS

The Directors of the Company who held office during or since the end of the half year are listed below:

Ms Min Yang – Non-executive Chairman  
Mr Mark Derriman – General Manager/Executive Director  
Mr Geoff Baker – Non-executive Director  
Ms Dongmei Ye – Non-executive Director

### REVIEW OF OPERATIONS

The Company's operating loss for the half year, after applicable income tax was \$272,898 (2017: \$369,171). Exploration and evaluation expenditure during the period totalled \$198,804 (2017: \$626,839).

### Corporate

On 14 November 2017, the Company entered into a Loan Facility Agreement with ASF Group Limited pursuant to which ASF will provide up to \$1M in standby funding ("Loan Facility") to fund its exploration activities and general working capital. Interest will accrue daily at a rate of 12% per annum. The Loan Facility was subsequently increased to \$2 million and the maturity date extended to 31 December 2019.

On 2 January 2019, the Company announced an extension of its on-market share buyback program for a further 12 months from 22 January 2019. During the six months ended 31 December 2018, no shares were bought back by the Company.

Further discussion of the Company's operations is provided below:

### Gilberton Gold Project

The Gilberton Gold Project is situated in the Georgetown Province in northeast Queensland, approximately 300km west-northwest of Townsville. The Project is in an area which is prospective for several metals (Au, Ag, Cu, Ta-Nb, Co) and a wide range of deposit styles (plutonic IRGS, porphyry breccia, and epizonal / epithermal IRGS). The world-class Kidston breccia hosted Au-Ag deposit occurs in similar geological terrain approximately 50km to the northeast. The Project consists of EPMs 18615 (Mt Hogan), 18623 (Gilberton), 19207 (Percy River), 26232 (Gum Flat) and 26307 (Split Rock). The Project is comprised of a total of 174 sub-blocks and encompasses an area of 566km<sup>2</sup>. ActivEX Limited holds 100% interest in all the tenements.

Further exploration activities, such as pXRF surveys and focussed rock chip and conventional soil sampling along with geological mapping, may be undertaken at Mt Hogan, Gilberton, Percy River, Gum Flat and Split Rock EPMs with a view to trenching, channel sampling and ultimately drilling at multiple targets within the Gilberton Gold Project.

### Cloncurry Copper and Gold Project

The Cloncurry Copper and Gold Project is situated in northeast Queensland, approximately 60km south of Cloncurry. The Project consists of EPMs 14955 (Mt Agate), 15285 (Florence Creek), 17313 (Malbon), 17805 (Florence Flat), 18053 (Bulonga), 18073 (Selwyn East), 18511 (Brightlands), 18852 (Robur), 25192 (Concorde), 25454 (Heathrow East) and 25455 (North Camel Dam), which comprise a total of 299 sub-blocks and encompasses an area of 1,020km<sup>2</sup>. ActivEX Limited holds 100% interest in all the tenements.

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## DIRECTORS' REPORT

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The Project is situated within the Eastern Succession of the Mount Isa Inlier, which is a highly prospective geological terrane containing numerous major deposits. These include Iron Oxide Copper Gold, skarn style Cu-Au, and Merlin-style Mo deposits.

The Company completed small surficial rock sampling program within the Florence Bore tenement in the vicinity of the Trump Prospect with highlighted the mineral potential to the SW of the Trump Prospect.

The Company has successfully negotiated a farmin/joint venture with Au NQ Gold who will sole fund exploration in EPMs 14955 (Mt Agate), 15285 (Florence Creek), 17313 (Malbon), 17805 (Florence Flat), 18053 (Bulonga) with the joint venture commencing upon Au NQ Gold earning 70% equity in the tenements (ASX announcement November 2018). The equity in the tenements is earned cumulatively over 3 stages of the farmin agreement as detailed below:

Stage 1 - (12 months from date of signing the agreement)

Stage 2 - (24 months from the end of the Farmin Stage 1 period)

Stage 3 - (24 months from the end of Farmin Stage 2 period)

Upon meeting the expenditure requirements AU NQ Gold will earn an interest in the Tenements (Stage 1: 10%; Stage 2: 41%; Stage 3: 19%; total of 70%).

Further exploration activities, such as pXRF surveys and focussed rock chip and conventional soil sampling, may be undertaken at 18053 (Bulonga), 18073 (Selwyn East), 18511 (Brightlands), 18852 (Robur), 25192 (Concorde), 25454 (Heathrow East) and 25455 (North Camel Dam), with a view to trenching, channel sampling and drilling at multiple targets within the Cloncurry Copper and Gold Project not subject to the Au NQ Gold farmin/joint venture.

### **Coalstoun Lakes Copper and Gold Project**

The Project consists of EPM 14079 (Coalstoun), which comprises a total of 50 sub-blocks and encompasses an area of 160km<sup>2</sup>. ActivEX Limited holds 100% interest in the tenements.

The Company announced maiden Inferred Mineral Resource estimates (2012 JORC Code & Guidelines) at the Coalstoun copper deposit located within the Coalstoun Lakes Copper and Gold Project in March 2015. Total Inferred Mineral Resource of 26.9Mt @ 0.38g/t Cu for 102,700t Cu contained; including a supergene copper Inferred Mineral Resource of 7.0Mt @ 0.47% Cu (for 32,700t Cu contained) at 0.3% Cu cut-off (ASX announcement 31 March 2015). These resource estimates were completed within approximately eight months after tenement transfer and have exclusively used historical information.

The Company completed a diamond core and RC drilling program at Coalstoun in August 2015 targeting extensions of supergene secondary copper and high grade copper and gold zones, with the intention of expanding and upgrading the initial Coalstoun Inferred Resources (ASX announcement 23 November 2015). This drilling also provided sample material for density measurements and metallurgical test work. The drill program consisted of both diamond core and reverse circulation techniques for a total of 2 cored holes for 320m and 16 RC holes for 1,580m.

The Company announced an upgrade to the Coalstoun copper deposit supergene zone Inferred Mineral Resource estimate (2012 JORC Code and Guidelines) to 6.1Mt @ 0.5% Cu (for 29,588t Cu contained at a 0.35% Cu cut off in 18 August 2016). This new Mineral Resource incorporates the results from RC and diamond core drilling completed in August 2015, which targeted near surface oxidised copper mineralisation.

The Company has been carrying out an internal review of all exploration to date with a view of advancing the Coalstoun Lake Project.

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### **Barambah Gold Project**

The Barambah Gold Project is located in south-east Queensland between the towns of Gayndah and Goomeri, 215 kilometres due north-west of Brisbane. The project tenure comprises EPMs 14937 (Barambah) and 18732 (One Mile) comprise a total of 25 sub-blocks and encompass an area of 77km<sup>2</sup>.

The Company announced maiden Inferred Mineral Resource estimates (2012 JORC Code & Guidelines) at the Barambah gold-silver deposit located within the Barambah Gold Project in February 2015. Total Inferred Mineral Resource of 363KMT @ 1.47g/t Au and 61.8g/t Ag for 17,000 oz Au and 722,000 Ag contained using a 0.5g/t Au cut off (ASX announcement 13 February 2015). The Barambah deposit consists of a number of gold and silver mineralised veins hosted by the Aranbanga Volcanic Group which consist of a number of polymictic to monomictic pyroclastic breccia, rhyolitic lapilli-ash tuff and rhyolitic airfall lapilli-ash tuff and lesser intrusive andesite. The veins are cut by quartz-feldspar phyric rhyolitic dykes, particularly to the north of historic mining. Field observations, age relationships and regional geological dating, suggest an approximate age of  $\sim 220 \pm 5$  Ma for the deposit.

The Company has been carrying out an internal review of all exploration to date with a view of advancing the Barambah Project.

### **Ravenswood Gold Project**

The Ravenswood Gold Project is situated in the Charters Towers Province in northeast Queensland, approximately 60km south of Charters Towers. The Project consists of EPMs 18424 (Mt Leyshon), 18637 (King Solomon), 18426 (Cornishman), 25466 (Charlie Creek) and 25467 (Birthday Hills), which comprise a total of 104 sub-blocks and encompass an area of 331km<sup>2</sup>. ActivEX Limited holds 100% interest in all the tenements.

The Project is in the highly prospective Charters Towers – Ravenswood region which has produced over 12Moz of Au and hosts the 3.8Moz Mount Leyshon deposit as well as the 1Moz Mount Wright Au deposit. Mineralisation styles in the district include mesothermal gold veins (e.g. Charters Towers and Ravenswood Goldfields), breccia hosted gold (e.g. Mount Leyshon, Welcome Breccia) and epithermal gold veins (e.g. the Pajingo group).

Further exploration activities for Ravenswood Gold Project may include; GPS location of drillholes, drone surveys and database compilation and analysis of historic drillhole information for Matthews Pinnacle Complex (MPC) and Seventy Mile Mount gold prospects to outline potential drill targets. Detailed pXRF surveys, and focussed rock chip and conventional soil sampling may also be carried out over these historic prospects to outline gold mineralisation.

### **Pentland Gold Project**

The Pentland Gold Project contains one tenement, EPM 14332 (Pentland), which comprises a total of 39 sub-blocks and encompass an area of 125km<sup>2</sup>. It is in the Charters Towers district of northern Queensland. The township of Pentland is located within the tenement area, in the southeast of EPM 14332. The project contains 4 established prospects where ActivEX has carried out extensive ground based surveys and these areas are drill-ready with a number of targets already identified. Outside of these areas, the project package is only lightly explored and significant potential remains.

The Pentland tenements encompass much of the Cape River Gold and Mineral Field. Alluvial, deep lead and primary gold were discovered along the Cape River in 1867. Recorded production from the field was around 45,000 ounces (approximately 1400kg), but true production was considerably more as there is no record of the amount extracted by the Chinese miners, who were almost as numerous as Europeans during the productive years of the field in the late 1800's. Several areas within the Exploration Permits have seen small scale mining since that time. The Pentland tenements cover an area in which a wide variety of mineralisation styles have been identified and worked in part, including quartz vein gold, alluvial, eluvial and deep lead gold, shear zone hosted gold, epithermal and porphyry-related gold, porphyry-related copper-molybdenum, and shear-breccia zone hosted Pb-Cu-Au.

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Gold, copper and molybdenum mineralisation is hosted in breccia zones containing diorite fragments in a vuggy quartz-sulphide matrix and steeply dipping, vuggy quartz-galena-sphalerite veins. There are many mineral occurrences in the tenement with four prospects currently under investigation at various stages in the exploration process.

### **Esk Copper and Gold Project**

The Esk Copper and Gold Project consists of EPMS 14476 (Boobyjan), 14979 (Dadamarine), 16265 (Blairmore), 16327 (Ban Ban) and comprises a total of 53 sub-blocks and encompasses an area of 167 km<sup>2</sup> in the New England Orogen in southeast Queensland between the towns of Gayndah and Goomeri, 215 km due northwest of Brisbane. ActivEX Limited holds 100% interest in all tenements.

The tenements are situated at the intersection of the NNW trending Perry Fault zone (host to Mt Rawdon +2Moz gold deposit) and NE trending (Darling Lineament related) structures.

The Esk Copper and Gold project is host to mineralisation with similarities to many High-K Calcalkalic to Alkalic Porphyry copper-gold deposits, near surface supergene copper deposits, as well as potential for breccia-pipe hosted gold-copper deposits.

### **Lake Chandler Potash Project**

The Lake Chandler Potash Project consists of a granted Mining Lease (M77/22) located 48km north of the Western Australian wheat-belt town of Merredin, 300km east of Perth. ActivEX Limited holds 100% interest in the tenement.

Lake Chandler is a salt lake with accumulations of alunite, which the Company is investigating with a view to proving the commercial extraction of potash (sulphate of potassium or SOP) and other fertiliser products with possible alumina by-products. Potash was produced from the deposit in the post war period from 1943 to 1947 but the operations have been idle since.

The potash at Lake Chandler occurs as alunite – hydrated potassium aluminium sulphate (KAl<sub>3</sub>(SO<sub>4</sub>)(OH)<sub>6</sub>) mineralisation hosted in a flat lying evaporate sequence of clays (playa lake).

The company is currently reviewing other new early stage SOP operations in the Kalgoorlie region of Western Australia to see how new technology and innovations can be applied to the Lake Chandler Project.

## **CONTINUED OPERATIONS AND FUTURE FUNDING**

The financial statements have been prepared on a going concern basis which contemplates that the Company will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

At 31 December 2018, current assets total \$187,889 (including cash \$92,455) and current liabilities total \$1,301,929 (including borrowings \$1,180,755).

The ability of the Company to settle its liabilities and execute its currently planned exploration and evaluation activities requires the Company to raise additional funds within the next 12 months, and beyond. Because of the nature of its operations the Directors recognise that there is a need on an ongoing basis for the Company to regularly raise additional cash to fund future exploration activity and meet other necessary corporate expenditure. Accordingly, when necessary, the Company investigates various options for raising additional funds which may include but is not limited to an issue of shares, borrowings, a farm-out of an interest in one or more exploration tenements or the sale of exploration assets where increased value has been created through previous exploration activity.

As a result, the Directors have concluded that in the current circumstances there exists a significant uncertainty that may cast doubt over the Company's ability to continue as a going concern. Nevertheless, after taking into account the recent successful farm-in/joint venture with Au NQ Gold and the terms of the existing loan facility (from a major shareholder) and various other funding options available, the Directors have a reasonable expectation that the Company will be successful

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**DIRECTORS' REPORT**

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with future fund raising initiatives and, as a result, will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration under section 307C of the Corporations Act 2001 is included in this half year financial report.

This Directors' Report is signed in accordance with a resolution of Directors.



**Min Yang**  
**Chairman**

Signed: 13<sup>th</sup> day of March 2019

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**Competent Person Statement**

The information in this report which relates to Exploration Results is based on information reviewed by Mr. Mark Derriman, who is a Member of The Australian Institute of Geoscientists (1566) and Mr. Xusheng Ke, who is a Member of the Australasian Institute of Mining and Metallurgy (310766) and a Member of the Australian Institute of Geoscientists (6297).

Mr. Mark Derriman and Mr. Xusheng Ke have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Mr. Mark Derriman and Mr. Xusheng Ke consent to the inclusion of their names in this report and to the issue of this report in the form and context in which it appears.

## Auditor's Independence Declaration

### Under Section 307C of the Corporations Act 2001

#### To the Directors of ActivEX Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



#### **Nexia Brisbane Audit Pty Ltd**



#### **N D Bamford**

Director

Date: 13 March 2019

#### **Nexia Brisbane Audit Pty Ltd**

Registered Audit Company 299289  
Level 28, 10 Eagle Street  
Brisbane QLD 4000  
GPO Box 1189  
Brisbane QLD 4001  
**p** +61 7 3229 2022  
**f** +61 7 3229 3277  
**e** email@nexiabrisbane.com.au  
**w** nexia.com.au

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**DIRECTORS' DECLARATION**

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The Directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - (a) Complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) Giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance for the half year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Min Yang  
Chairman

Dated this: 13<sup>th</sup> day of March 2019

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
for the half-year ended 31 December 2018

	Note	Half- year ended 31 December 2018 \$	Half- year ended 31 December 2017 \$
Revenue		37,612	2,751
Administrative expenses		(179,821)	(141,083)
Employee benefit expense		(62,594)	(149,280)
Occupancy expenses		(52,719)	(57,100)
Current year exploration & evaluation expenditure written-off		(15,376)	(8,006)
Impairment of exploration assets		-	(16,453)
<b>Loss before income tax</b>	2	(272,898)	(369,171)
Income tax expense		-	-
<b>Loss for the period</b>		(272,898)	(369,171)
Other comprehensive income		-	-
<b>Total comprehensive income for the period, net of tax attributable to members of the entity</b>		(272,898)	(369,171)
<b>Earnings per Share</b>			
Basic earnings per share (cents per share)	7	(0.15)	(0.21)
Diluted earnings per share (cents per share)	7	(0.15)	(0.21)

The accompanying notes form part of these financial statements.

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**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2018

	Note	31 December 2018 \$	30 June 2018 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents		92,455	48,889
Trade and other receivables		5,706	-
Other current assets		89,728	70,982
<b>Total Current Assets</b>		<b>187,889</b>	<b>119,871</b>
NON-CURRENT ASSETS			
Property, plant and equipment		6,688	9,935
Exploration and evaluation assets	3	9,627,386	9,444,678
Trade and other receivables		66,940	66,940
<b>Total Non-Current Assets</b>		<b>9,701,014</b>	<b>9,521,553</b>
<b>TOTAL ASSETS</b>		<b>9,888,903</b>	<b>9,641,424</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables		99,732	30,215
Provisions		21,442	16,049
Borrowings	4	1,180,755	735,288
<b>Total Current Liabilities</b>		<b>1,301,929</b>	<b>781,552</b>
NON-CURRENT LIABILITIES			
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,301,929</b>	<b>781,552</b>
<b>NET ASSETS</b>		<b>8,586,974</b>	<b>8,859,872</b>
<b>EQUITY</b>			
Issued capital	5	20,739,271	20,739,271
Retained earnings		(12,152,297)	(11,879,399)
<b>TOTAL EQUITY</b>		<b>8,586,974</b>	<b>8,859,872</b>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY  
for the half-year ended 31 December 2018**

	Share Capital \$	Option Reserve \$	Retained Earnings \$	Total Equity \$
<b>Balance at 1 July 2017</b>	20,739,271	-	(11,230,721)	9,508,550
Total comprehensive loss for the period	-	-	(369,171)	(369,171)
<b>Balance at 31 December 2017</b>	20,739,271	-	(11,599,892)	9,139,379
<b>Balance at 1 July 2018</b>	20,739,271	-	(11,879,399)	8,859,872
Total comprehensive loss for the period	-	-	(272,898)	(272,898)
<b>Balance at 31 December 2018</b>	20,739,271	-	(12,152,297)	8,586,974

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS  
for the half-year ended 31 December 2018**

	Note	31 December 2018 \$	31 December 2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(206,338)	(400,643)
Interest received		12	2,751
Proceeds from insurance recoveries		37,600	-
<b>Net cash provided by (used in) operating activities</b>		<b>(168,726)</b>	<b>(397,892)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Exploration expenditure	3	(182,708)	(618,833)
<b>Net cash provided by (used in) investing activities</b>		<b>(182,708)</b>	<b>(618,833)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from loans and borrowings		395,000	125,000
<b>Net cash provided by (used in) financing activities</b>		<b>395,000</b>	<b>125,000</b>
<b>Net increase/(decrease) in cash held</b>		<b>43,566</b>	<b>(891,725)</b>
<b>Cash at 1 July</b>		<b>48,889</b>	<b>909,609</b>
<b>Cash at 31 December</b>		<b>92,455</b>	<b>17,884</b>

The accompanying notes form part of these financial statements.

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## Notes to the Financial Statements for the half-year ended 31 December 2018

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

The general purpose financial statements for the half-year reporting period ended 31 December 2018 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Company. As such it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2018, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue as at the date of the directors declaration.

#### Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements either is not relevant or not material.

#### Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2018 annual report.

#### Continued Operations and Future Funding

The financial statements have been prepared on a going concern basis which contemplates that the Company will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

At 31 December 2018, current assets total \$187,889 (including cash \$92,455) and current liabilities total \$1,301,929 (including borrowings \$1,180,755).

The ability of the Company to settle its liabilities and execute its currently planned exploration and evaluation activities requires the Company to raise additional funds within the next 12 months, and beyond. Because of the nature of its operations the Directors recognise that there is a need on an ongoing basis for the Company to regularly raise additional cash to fund future exploration activity and meet other necessary corporate expenditure. Accordingly, when necessary, the Company investigates various options for raising additional funds which may include but is not limited to an issue of shares, borrowings, a farm-out of an interest in one or more exploration tenements or the sale of exploration assets where increased value has been created through previous exploration activity.

As a result, the Directors have concluded that in the current circumstances there exists a significant uncertainty that may cast doubt over the Company's ability to continue as a going concern. Nevertheless, after taking into account the recent successful farmin/joint venture with Au NQ Gold and the terms of the existing loan facility (from a major shareholder) and various other funding options available, the Directors have a reasonable expectation that the Company will be successful with future fund raising initiatives and, as a result, will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

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**Notes to the Financial Statements  
for the half-year ended 31 December 2018****NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

**NOTE 2: LOSS FOR THE PERIOD**

	Half year ended 31 Dec 2018	Half year ended 31 Dec 2017
	\$	\$
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
<b>Revenue</b>		
Interest received from unrelated parties	12	2,751
Insurance Claim Proceeds	37,600	-
<b>Expenses</b>		
Interest paid to related parties	50,467	1,397
Employee benefit expense	114,050	390,571
Less: recharged to exploration and evaluation assets	(51,456)	(241,291)
	62,594	149,280

**NOTE 3: EXPLORATION AND EVALUATION ASSETS**

	31 December 2018	30 June 2018
	\$	\$
Exploration and evaluation expenditure carried forward in respect of areas of interest are:		
Exploration and evaluation phase - Company interest 100%	9,627,386	9,444,678
	9,627,386	9,444,678
<b>Movement in exploration and evaluation expenditure:</b>		
	\$	\$
Opening balance - at cost	9,444,678	8,625,566
Capitalised exploration expenditure	182,708	837,050
Impairment of exploration assets	-	(17,938)
Carrying amount at 31 December 2018	9,627,386	9,444,678

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and development of projects, or alternatively, through the sale of the areas of interest.

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## Notes to the Financial Statements for the half-year ended 31 December 2018

### NOTE 3: EXPLORATION AND EVALUATION ASSETS (Continued)

The Company has successfully negotiated a farmin/joint venture with Au NQ Gold who will sole fund exploration in EPMs 14955 (Mt Agate), 15285 (Florence Creek), 17313 (Malbon), 17805 (Florence Flat), 18053 (Bulonga) with the joint venture commencing upon Au NQ Gold earning 70% equity in the tenements (ASX announcement November 2018). The equity in the tenements is earned cumulatively over 3 stages of the farmin agreement as detailed below:

Stage 1 – (12 months from date of signing the agreement)

Stage 2 – (24 months from the end of the Farmin Stage 1 period)

Stage 3 – (24 months from the end of Farmin Stage 2 period)

Upon meeting the expenditure requirements AU NQ Gold will earn an interest in the Tenements (Stage 1: 10%; Stage 2: 41%; Stage 3: 19%; total of 70%).

### NOTE 4: BORROWINGS

	31 December 2018	30 June 2018
	\$	\$
Loan from ASF Group Ltd	1,180,755	735,288
	<u>1,180,755</u>	<u>735,288</u>

On 14 November 2017, the Company entered into a Loan Facility Agreement with ASF Group Limited pursuant to which ASF will provide up to \$1M in standby funding ("Loan Facility") to fund its exploration activities and general working capital. Interest will accrue daily at a rate of 12% per annum. The Loan Facility was subsequently increased to \$2 million and the maturity date extended to 31 December 2019. Since balance date the Company has drawn a further \$100,000 on this facility.

### NOTE 5: ISSUED CAPITAL

	31 December 2018	30 June 2018
	\$	\$
177,228,401 (June 2018: 177,228,401) fully paid ordinary shares	20,739,271	20,739,271
	<u>20,739,271</u>	<u>20,739,271</u>

  

Ordinary shares	No.	No.
Balance at the beginning of the reporting period	177,228,401	177,228,401
Balance at reporting date	<u>177,228,401</u>	<u>177,228,401</u>

### NOTE 6: RELATED PARTY TRANSACTIONS

The Company undertakes transactions with related parties in the normal course of business. In the current period, arrangements with related parties, relating to directors' fees and corporate service fees paid to ASF Group Ltd, continue to be in place, consistent with those reported in the 30 June 2018 annual financial report.

As set out in note 4, the Company entered into a loan facility agreement with ASF Group Limited, a substantial shareholder of the Company, and of which Directors Min Yang and Geoff Baker are directors.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements for the half-year ended 31 December 2018

### NOTE 7: EARNINGS PER SHARE

	Half year ended 31 Dec 2018	Half year ended 31 Dec 2017
	cents	cents
Basic earnings per share (cents)	(0.15)	(0.21)
Diluted earnings per share (cents)	(0.15)	(0.21)
Net loss after tax used in the calculation of basic EPS and diluted earnings per share.	(272,898)	(369,171)

### NOTE 8: DIVIDENDS

No dividends were declared or paid during the period.

### NOTE 9: COMMITMENTS

#### Exploration Commitments

The entity must meet minimum expenditure commitments in relation to granted exploration tenements to maintain those tenements in good standing. If the relevant mineral tenement is relinquished the expenditure commitment also ceases.

The following commitments exist at balance date but have not been brought to account.

	31 December 2018	30 June 2018
	\$	\$
Not later than 1 year	1,430,008	1,419,060
Later than 1 year but not later than 5 years	4,012,044	4,391,434
Later than 5 years	275,850	107,946
Total commitment	5,717,902	5,918,440

### NOTE 10: CONTINGENT LIABILITIES

There were no contingent liabilities at the end of the reporting period.

### NOTE 11: SEGMENT INFORMATION

The company operates entirely in the mineral exploration industry, within Australia.

### NOTE 12: EVENTS AFTER BALANCE SHEET DATE

On 2 January 2019, the Company announced an extension of its on-market share buyback program for a further 12 months from 22 January 2019.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACTIVEX LIMITED**

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of ActivEX Limited, which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### **Director's Responsibility for the Half-Year Financial Report**

The directors of ActivEX Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of ActivEX Limited financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of ActivEX Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Nexia Brisbane Audit Pty Ltd**

Registered Audit Company 299289

Level 28, 10 Eagle Street

Brisbane QLD 4000

GPO Box 1189

Brisbane QLD 4001

**p** +61 7 3229 2022

**f** +61 7 3229 3277

**e** email@nexiabrisbane.com.au

**w** nexia.com.au

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## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACTIVEX LIMITED (CONTINUED)**

### **Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of ActivEX Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of ActivEX Limited is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of ActivEX Limited financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### **Material uncertainty related to going concern**

We draw attention to Note 1 in the financial report, which states that the Company's ability to settle its liabilities and execute its currently planned exploration and evaluation activities requires the Company to raise additional funds. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

*Nexia Brisbane Audit Pty Ltd*

**Nexia Brisbane Audit Pty Ltd**

*Migel Bamford*

**ND Bamford**

Director

Level 28, 10 Eagle Street,  
Brisbane, QLD, 4000

Date: 13 March 2019

# ACTIVEX LIMITED

ABN 11 113 452 896

## CORPORATE INFORMATION

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<b>Directors</b>	Min Yang, Non-executive Chairman Mark Derriman, General Manager/Executive Director Geoff Baker, Non-executive Director Dongmei Ye, Non-executive Director
<b>Corporate Secretary</b>	Craig McPherson
<b>Registered Office</b>	Suite 2, 3B Macquarie Street Sydney NSW 2000
<b>Share Register</b>	Boardroom Pty Limited Level 12 225 George Street Sydney, NSW 2000
<b>Auditors</b>	Nexia Brisbane Audit Pty Ltd Level 28 10 Eagle Street Brisbane, Qld 4000
<b>Stock Exchange Listing</b>	ActivEX Limited shares are listed on the Australian Stock Exchange (ASX code: AIV)